## **BUDGET RESOLUTION/Welfare Spending**

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1996-2002...S. Con. Res. 13. Exon motion to waive the Budget Act for the Exon (for Moynihan) amendment No. 1161.

## **ACTION: MOTION REJECTED, 41-59**

SYNOPSIS: As reported, S. Con. Res. 13, the fiscal year 1996 Concurrent Budget Resolution, will reduce projected spending over 7 years to balance the budget by fiscal year (FY) 2002 without increasing taxes. Savings that will accrue from lower debt service payments (an estimated \$170 billion) will be dedicated to a reserve fund, which may be used for tax reductions after enactment of laws to ensure a balanced budget. Highlights include the following: the rate of growth in Medicare will be slowed to 7.1 percent; Medicaid's rate of growth will be slowed to 5 percent and it will be transformed into a block grant program; the Commerce Department and more than 100 other Federal programs, agencies, and commissions will be eliminated; welfare and housing programs will be reformed; agriculture, energy, and transportation subsidies will be cut; foreign aid will be cut; defense spending will be cut and then allowed to increase back to its 1995 level; and Social Security will not be altered.

**The Exon (for Moynihan) amendment** would provide that of the amount that the Congressional Budget Office has estimated will accrue as a result of balancing the budget (\$170 billion), \$55 billion would be spent on the Aid to Families with Dependent Children (AFDC) program and other income security programs; this increased funding would be made with the intent of keeping the AFDC program's entitlement status.

The amendment was offered after all debate time had expired. However, some statements on amendments were added to the record or were made before the amendments were offered and before debate time had expired. Also, by unanimous consent, 1 minute of time was allowed on each amendment for explanatory statements before each vote. Senator Domenici raised the point of order that the amendment violated the Budget Act. Senator Exon then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: A three-fifths majority (60) vote is required to waive the Budget Act.

(See other side)

| YEAS (41)   |  |  | NAYS (59)   |  |  | NOT VOTING (0)   |                             |
|-------------|--|--|---|--|--|--|-----------------------------|
| Republicans | Democrats (41 or 89%)  |  | Republicans (54 or 100%)  |  | Democrats (5 or 11%)                   | Republicans Democrats  |                             |
| (0 or 0%)   |  |  |   |  |  | (0)  | (0)                         |
|             | Akaka Biden Bingaman Boxer Bradley Breaux Bryan Bumpers Conrad Daschle Dodd Dorgan Exon Feingold Feinstein Glenn Graham Harkin Heflin Hollings | Inouye Johnston Kennedy Kerrey Kerry Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Pell Pryor Reid Robb Rockefeller Sarbanes Simon Wellstone | Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield Helms | Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Packwood Pressler Roth Santorum Shelby Simpson Smith Snowe Specter Stevens Thomas Thompson Thurmond Warner | Baucus<br>Byrd<br>Ford<br>Kohl<br>Nunn | EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other  SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired | nced Yea<br>nced Nay<br>Yea |

VOTE NO. 199 MAY 24, 1995

## Those favoring the motion to waive contended:

The Moynihan amendment would restore \$55 billion to the proposed reduction in the rate of spending for the Aid to Families with Dependent Children (AFDC) program and for other income security programs. Under this amendment, the AFDC program would remain an entitlement. The amendment would be paid for by spending part of the fiscal dividend that our colleagues appear intent on wasting on tax cuts for wealthy Americans. We are not inclined to waste any money on any tax cut proposal, whether that proposal is made by a Democrat or a Republican, given our country's current fiscal crisis. We are especially not inclined to do so at the same time as we pull the rug out from under needy children. Welfare dependency has been increasing at an alarming rate in America, and in most of the rest of the industrialized world. Most Senators are increasingly aware that this dependency, and attendant social pathologies, are closely tied to rising illegitimacy rates. Though we understand that the problem is tied to illegitimacy, no one has come up with any method of dealing with the problem. This resolution, instead of coming up with a solution, simply decides to slash support for needy children. Perhaps the hope is that this lack of support will decrease illegitimacy; but we do not know that it will. It may well just harm those children. To date, the only program that has had any success in reducing welfare dependency is the 1988 Family Support Act, which advocated jobs programs to end welfare dependency. That Act, in a more bipartisan era, passed the Senate by a vote of 96-1. We need to encourage programs like the Family Support Act to get people off welfare by finding them jobs; we do not need to get them off welfare simply by abandoning them. The so-called fiscal dividend has a \$170 billion pot of money that we can spend entirely on tax cuts, or that we can spend partially on needy children. Needy children have a greater claim on our consciences, so we will vote in favor of the motion to waive for the consideration of the Moynihan amendment.

## **Those opposing** the motion to waive contended:

For Democrats, bipartisanship seems to begin and end with the spending of the fiscal dividend. Throughout the balanced budget debate, they have been quite critical of the spending cuts that produce this dividend, and they have failed to come forward with suggestions for alternative spending cuts, but they have had absolutely no shortage of suggestions on how to spend this dividend which they have not had the courage to help create. Democrats have deliberately dealt themselves out of the process. We are not surprised that they are full of suggestions on how to spend the dividend that will come from balancing the budget, and we imagine that they are not surprised that we intend to resist efforts to spend this money, and that we consequently oppose this motion to waive the Budget Act.